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JOINT COMMITTEE ON OFFICES OF PROFIT

FIFTH REPORT

(THIRD LOK SABHA)

(*Presented on the 2nd December*, 1966)

LOK SABHA SECRETARIAT
NEW DELHI

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JOINT COMMITTEE ON OFFICES OF PROFIT

(Third Lok Sabha)

Composition of the Joint Committee

CHAIRMAN

Shri G. N. Dixit.

MEMBERS

Lok Sabha

2. Shri Rajendranath Barua.
3. Shri M. L. Dwivedi.
4. Shri N. R. Ghosh.
5. Shri P. K. Ghosh.
6. Shri M. M. Haq.
7. Shri Harish Chandra Heda.
8. Shri Paresh Nath Kayal.
9. Shri Jaswantraj Mehta.
10. Shri Yuveraj Dutta Singh.

Rajya Sabha

*11. Shri M. C. Shah.
12. Shri K. V. Raghunatha Reddy.
**13. Shri Lokanath Misra.
**14. Shri P. C. Mitra.
**15. Kumari Shanta Vasisht.

SECRETARIAT

Shri M. C. Chawla—*Deputy Secretary*.

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*Elected by Rajya Sabha on the 5th May, 1964.
**Elected by Rajya Sabha on the 16th May, 1966.

REPORT OF THE JOINT COMMITTEE

I

INTRODUCTION

I, the Chairman of the Joint Committee on Offices of Profit, having been authorised by the Committee to present the Report on their behalf, present this Fifth Report of the Committee.

2. Subsequent to the presentation of the Fourth Report to the House on the 30th March, 1966, the Committee held eleven sittings* on the 18th May, 29th and 30th June, 24th August, 2nd September, 27th October, 7th, 9th, 23rd and 30th November, 1966 and considered 84 memoranda regarding composition and character etc. of the 'Committees' constituted by the Central and State Governments and the emoluments and allowances payable to their members.

3. Detailed information regarding the composition, character and functions etc. of the 'Committees' and emoluments and allowances payable to their members was furnished by the respective Ministries/Departments of the Central and State Governments on requests made by the Lok Sabha Secretariat.

4. The Committee considered and adopted the Report on the 30th November, 1966.

5. The recommendations of the Committee in respect of the committees, boards etc. examined by them are given in the succeeding paragraphs.

II

INQUIRIES RECEIVED FROM THE MEMBERS OF PARLIAMENT

A. Whether acceptance of visiting professorship in the Indian Institute of Public Administration, New Delhi on payment of conveyance and contingency charges constitutes an Office of Profit under Government?

6. The Committee noted that in the letter of offer received by Shri Shanti Lal Kothari, Member, Rajya Sabha from the Director of the Indian Institute of Public Administration, New Delhi it was *inter alia* stated that "our Honorary Professorships do not carry any remuneration. We would, of course, meet your conveyance and usual contingency charges in connection with this work."

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*Minutes of the sittings form part of the Report and are at Appendix II, Pages 12—31

Shri Shantilal Kothari in his letter to the Secretariat of the Committee had stated that "by the term 'usual contingency charges'..... of which I sought clarification from this Institute is meant Secretarial assistance to help me in preparation of lectures or other academic participation as Professor."

The Committee also noted that the expenditure of the Institute was met from grants received from the various sources such as Ford Foundation, the Asia Foundation, Government of India, membership fees, subscriptions etc. Although the Government of India gave an annual grant-in-aid to the Institute, it did not in any manner control the functioning of the Institute, which was an autonomous body, registered under the Societies Registration Act, 1860. Further, the executive power of the General Body vested in the Executive Council of the Institute consisting of the elected President and other officials and ordinary members. The appointment and removal in the instant case did not lie with the Government, and was to be made by the autonomous body.

The Committee feel that as a Visiting Professor of the Indian Institute of Public Administration, Shri Kothari will not be holding an 'office under the Government' and his case does not come within the mischief of Article 102(1)(a) of the Constitution.

The Committee, however, note that under Art. 103 of the Constitution, it is provided that "if any question arises as to whether a member of either House of Parliament had become subject to any of the disqualifications mentioned in clause (1) of Article 102, the question shall be referred for the decision of the President and his decision shall be final and that before giving any decision on any such question, the President shall obtain the opinion, of the Election Commission and shall act according to such opinion" and consequently the opinion of the Election Commission is effective and crucial in such matters.

B. Whether vetting a translation or mānuscript for the Ministry of Education constitutes an Office of Profit?

C. Whether a person whose name is on the Panel of Advocates approved by the Central or State Government for conducting cases in the Supreme Court or High Court incurs disqualification?

7. Dr. L. M. Singhvi, Member, Lok Sabha, in his letter dated the 4th August, 1966, desired to have information *inter alia* on the following points:—

(i) Whether vetting a translation or manuscript for Ministry of Education is an office of profit?

(ii) Whether if a person is empanelled by a State or the Central Government for its work in the Supreme Court or the High Court, it is to be considered an office of profit?

The Committee examined a number of judicial decisions having a bearing on the term 'office of profit'.

In regard to the question whether vetting a translation or manuscript amounted to an office of profit, the Committee noted that on an earlier occasion they had decided to the effect that writing of a book by a Member of Parliament on payment of remuneration by Government was not an office and hence not an office of profit under the Government. The Committee feel that on the same analogy, vetting a translation or manuscript ought not to disqualify a Member of Parliament.

In regard to the second question, whether a person, whose name was on the panel of Advocates approved by the Central or State Government for conducting cases in the Supreme Court or High Court, incurred any disqualification, the Committee examined a number of judicial decisions having a bearing on the term 'office of profit' and on clause (d) of Section 7 of the Representation of the People Act, 1951 and particularly noted the decision of the Election Tribunal, Allahabad, in Govind Malviya *Vs.* Murli Manohar (E.L.R. Vol. VIII, P. 84). In the light of the various judicial decisions, the Committee feel that a person whose name is on the panel of Central/State Government for conducting cases on their behalf in the Supreme Court or High Court and to whom no remuneration or retainer is payable for such enrolment (fees being payable for individual cases entrusted) ought not to disqualify.

The Committee, however, note that under Art. 103 of the Constitution, if any question arises as to whether a member of either House of Parliament has become subject to any of the disqualifications mentioned in clause (1) of Art. 102, the question shall be referred for the decision of the President and his decision shall be final and that before giving any decision on any such question, the President shall obtain the opinion of the Election Commission and shall act according to such opinion.

III

COMMITTEES, BOARDS ETC. APPOINTED BY CENTRAL AND STATE GOVERNMENTS

8. The Committee observe that the Chairman and Directors of the Cement Corporation of India Ltd. are entitled to receive remuneration which is in excess of the 'Compensatory allowance' as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. They are, therefore, of the opinion that the Chairmanship and Directorship thereof ought not to be exempted from disqualification.

9. In regard to the Advisory Leather Board (Andhra Pradesh), the Committee note that the Chairman thereof is entitled to receive remuneration which is in excess of the 'compensatory allowance' as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959 and that the Secretary is an official. They are of opinion that

the Chairmanship and the Secretaryship of the Board ought not to be exempted from disqualification and recommend its inclusion in Part II of the Schedule to the Act.

10. The Committee examined the composition etc. of the Board of Directors of the Assam Financial Corporation. The Committee noted that the Directors (other than the Managing Director) and an employee of the government, the Reserve Bank of India or the Industrial Finance Corporation of India, were entitled to get Rs. 75 as sitting fee for each meeting of the Board and Rs. 50 for each meeting of the executive committee. The Directors of the Board were responsible for the general superintendence, direction and management of the affairs and business of the Corporation with the assistance of an executive committee. They also were empowered to sanction long term loans exceeding Rs. 1 lakh. The Committee are of the opinion that besides being entitled to remuneration which is in excess of the 'compensatory allowance' as defined in section 2 (a) of the Parliament (Prevention of Disqualification) Act, 1959, the Directors wielded excessive power of patronage. Further, the Secretary and the Managing Director are full time officials of the Corporation. The Committee, therefore, feel that the character, functions etc. of the Board of Directors are such that even the Directorship thereof ought to disqualify.

11. The Committee considered the composition and character etc. of the Administrative Reforms Commission set up by the Government of India. The Committee noted that the Chairman and Members of the Commission, who were Members of Parliament, were entitled to travel by air-conditioned class of accommodation by rail on tours undertaken in connection with the work of the Commission subject to the condition that they would utilize their free first class rail passes when travelling by air-conditioned class and would be reimbursed to the extent of the difference between the fares for the air-conditioned and first class accommodation.

The Committee also noted that the members of the Commission were paid daily allowance @ Rs. 30 when they performed the work of the Commission at Delhi or outside and even when they travelled by rail in A.C.C., the rates remained the same, subject to the condition that they got D.A. at full rates if they reached the place of the meeting in the forenoon and departed from there in the afternoon. Otherwise, half daily allowance was granted to them if they reached in the afternoon and left in the forenoon. No daily allowance was paid for the period of rail journey.

The members of the Commission were also paid incidental charges @ 35 paise per 10 kilometres or part thereof if it exceeded 5 k.m. subject to a maximum of Rs. 15.70 per day when they travelled by rail and

subject also to the condition that the expenditure incurred was not less than the amount claimed. In case of air journey, they were paid incidental charges @ 1/5th of standard air fare or Rs. 20 whichever was less.

In view of the fact that the members of the Commission are entitled to get T.A./D.A. etc. in terms of Ministry of Finance O.M. No. F. 6 (26) E.IV/59, dated the 5th September, 1960, as amended from time to time, which is less than 'compensatory allowance' as defined in Section 2 (a) of the Parliament (Prevention of Disqualification) Act, 1959, and that the functions performed by them are also of an advisory nature, the Committee are of the opinion that the character and functions of the Commission are such that the Chairmanship, Secretaryship and Membership thereof ought not to disqualify.

12. The Committee also considered a written request received from the Administrative Reforms Commission as to whether the proposal for provision of an air-conditioner and a refrigerator at the residence of Members of Parliament who were members of the Commission, was in order.

The Committee expressed the opinion that in the context of Section 3(h) read with section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959, the facilities proposed to be provided to the Members of Parliament serving on the Commission do not fall within the purview of section 2 (a) of the Act *ibid* and are thus not permissible.

13. In regard to another query whether the members of the Administrative Reforms Commission, who were Members of Parliament, would incur any disqualification, if they were treated as State guests and provided with free board and lodging during their tour of various States, the Committee expressed the opinion that under Rule 15 of the Members of Parliament (Travelling and Daily Allowances) Rules, 1957, Members of Parliament on being treated as State guests were entitled to receive only one-half of the daily allowance admissible to them under Section 3 of the Salaries and Allowances of Members of Parliament Act, 1954. if only board or lodging was allowed free to the members, they would be entitled to receive three-fourths of the daily allowances admissible under that Section.

14. The Committee considered the character and compoistion etc. of the National Savings Central Advisory Board. The Committee noted that the non-official members of the Board who were not M.Ps. were paid Rs. 75 p.m. as a lumpsum payment to defray the expenditure incurred on conveyance, stationery and postage in connection with their duties as members of the Board. In case, however, a member of the Board was also a Member of Parliament, the amount of Rs. 75 was not paid as a lumpsum but it was the maximum that might be drawn to meet the

expenditure on account of conveyance hire only and its payment was subject to the terms and conditions laid down in the Ministry of Finance O.M. No. F. 6(26)E-IV/59, dated the 5th September, 1960, as amended from time to time. In addition, members of the Board were entitled to get T.A./D.A. as admissible to Officers of the First grade. They also noted that a maximum conveyance allowance of Rs. 200 p.m. had been sanctioned to the Member-Secretary, who was a Member of Parliament, to meet the expenditure incurred by him on account of conveyance charges, in connection with the work of the Board. He was also paid a daily allowance of Rs. 30 per day spent on the Board's work during the inter-session period.

The Committee, in this connection, recorded the oral evidence of Shri Rameshwar Sahu, M.P., the Member-Secretary of the Board in regard to remuneration and amenities provided to him and to other Members of Parliament serving on the Board as also the functions performed by them. Shri Sahu elucidated certain points in respect of the duties and functions performed by the Members as well as the Member-Secretary of the Board and also on the question of payment of remuneration to them.

The Ministry of Finance, on being requested to clarify the position regarding certain points, stated *inter alia* that the duties and functions of the Members and Member-Secretary of the Board had not been defined precisely but were discharged broadly within the functions assigned to the Board. The Members generally undertook tours in the areas assigned to them for promoting the Small Savings Movement and submitted suggestions to the Chairman of the Board. The Member-Secretary had to tour extensively to establish and maintain contacts with the State Governments and the State Advisory Boards and to attend to the work of the Board for which a small secretarial establishment had been provided. However, the duties/functions performed by them were of an advisory nature and did not involve any executive functions. The payment of travelling/daily allowance and conveyance allowance at the existing rates to the Members and Member-Secretary was in order. A Member of Parliament could draw conveyance allowance during the session period or during the period when a Parliamentary Committee of which he was a member, was holding its meetings at New Delhi. Its payment was subject to a maximum rate of Rs. 10 per day on production of a certificate to the effect that (1) he had not drawn the Conveyance allowance or used a Government vehicle in respect of the same journey or for the same day from any other government sources and (2) the expenditure actually incurred by him was not less than the amount claimed. The grant of conveyance allowance subject to a maximum of Rs. 200 p.m. to the Member-Secretary even during inter-session period was stated to be in conformity with the provisions contained in the

Ministry of Finance O.M. dated the 5th September, 1966, as the allowance was intended to enable him to recoup his out-of-pocket expenses and was subject to the restrictions contained in that O.M.

In view of the clarification given by the Ministry regarding payment of conveyance allowance to the Members and Member-Secretary of the Board and the duties performed by them, the Committee are inclined to think that the character, composition etc. of the Board are such that Chairmanship, Secretaryship, and Membership thereof ought not to disqualify.

15. The Committee also examined the composition and functions etc. of (i) the Board of Directors of the Hindustan Photo Films Manufacturing Company Ltd., and (ii) the Board of Directors of the National Industrial Development Corporation Ltd. The Committee noted that the non-official Directors of these bodies received remuneration which was more than the 'Compensatory allowance' as defined in Section 2 (a) of the Parliament (Prevention of Disqualification) Act, 1959. However, if a Member of Parliament happened to be on the Board of Directors of these bodies, he would get T.A./D.A. etc. in accordance with the rates prescribed by the Ministry of Finance (Department of Expenditure) in their O.M. No. F.6 (26)-EIV/59 dated the 5th September, 1960, as amended from time to time, which was less than the 'compensatory allowance'. As such, the Committee are of the opinion that the Chairmanship and Directorship of these bodies ought not to disqualify; but the Managing Directors, who are whole-time paid employees, will be disqualified.

16. The Committee are of the view that the composition, character and functions of the Committees. Boards etc. specified in Appendix I are such that their Chairmanship, Secretaryship or Membership ought not to disqualify.

IV

REVIEW OF RECOMMENDATION IN RESPECT OF CERTAIN BODY MADE IN THE FOURTH REPORT (THIRD LOK SABHA)

17. The Committee, in para 9 of their Fourth Report presented to the House on the 30th March, 1966 had noted *inter alia* that all the non-official Directors of the National Newsprint and Paper Mills Ltd., Nepa Nagar, including Major Raja Bahadur Birendra Bahadur Singh, M.P. an elected representative Director of the "Other" Shareholders were allowed Rs. 100/- per day as daily allowance and Rs. 100/- as the sitting fee per sitting of the Board which were more than the 'compensatory allowance. They, therefore, were of the opinion that even the Directorship thereof ought to disqualify.

The Committee have since been informed that by a Resolution passed at a meeting of the Board of Directors of the Company held on the 31st

December, 1965, a Director, who is a Member of Parliament, will not be entitled to any sitting fee and other incidental expenses and will be entitled only to the 'compensatory allowance' as defined in the Parliament (Prevention of Disqualification) Act, 1959.

The Committee, therefore, decided to modify their earlier decision as under:—

> "In view of the Resolution dated the 31st December, 1965 of the Board of Directors of Nepa Mills Ltd., read with article 129 of the Articles of Association of the Company, the holding of the office of a Director, by a Member of Parliament, and not disqualify."

The Committee also decided that in view of the above recommendation, no further action is called for on their earlier recommendation contained in para 9 of their Fourth Report (Third Lok Sabha) in regard to the Board of Directors of the Nepa Mills Ltd.

G. N. DIXIT,

Chairman,

Joint Committee on Offices of Profit.

NEW DELHI;

The 30th November, 1966.

APPENDIX I

(*Vide* para 16 of the Report)

Committees, Boards etc. whose Chairmanship, Secretaryship or Membership ought not to disqualify.

UNDER CENTRAL GOVERNMENT

1. Advisory Committee for the Delhi Tuberculosis Project.
2. Advisory Committees for the Territorial Army in Madras/Gujarat/Uttar Pradesh.
3. Advisory Committee on Capital Issues Control.
4. Bhartiya Bhasha Samiti.
5. Board of Inspection of Voluntary Institutions to which Central grants are given under the scheme of grants to T.B., Leprosy, Cancer and other Institutions.
6. Central Advisory Board of Museums.
7. Central Advisory Board for Tribal Welfare.
8. Central Advisory Committee for Chemicals.
9. Central and Regional Film Advisory Committees.
10. Central Desert Development Board.
11. Central Flood Control Board.
12. Central Purchase Advisory Council.
13. Central Wage Board for the Electricity Undertakings.
14. Central Wage Board for the Leather and Leather Goods Industry.
15. Central Wage Board for the Road Transport Industry.
16. Committee to Study the growth of retail outlets in the country.
17. Cotton Textiles Consultative Board.
18. Export-Import Advisory Council.
19. Film Consultative Committee.
20. General Committee for the National Foundation for Teachers' Welfare.
21. Geological Programming Board.
22. Governing Body of the Indian Institute of Foreign Trade.
23. Hindi Salahkar Samiti and its Working Group known as Karyakari Dal.
24. Indian Arecanut Development Council.

25. Indian Cashewnut Development Council.
26. Indian Historical Records Commission.
27. Indian Jute Development Council.
28. Indian National Committee for Statistics.
29. Indian Spices Development Council.
30. Indian Tobacco Development Council.
31. Kendriya Sanskrit Vidyapeeth Tirupati Society.
32. Mineral Ores Export Advisory Committee.
33. National Advisory Board of Libraries.
34. National Defence Council.
35. National Nutrition Advisory Committee.
36. Nature Cure Advisory Committee.
37. Oil Advisory Committee.
38. Panel for Refractory Industry.
39. Panel for the Glass and Ceramics Industries.
40. Panel on Agriculture.
41. Ship Ancillary Industries Committee.
42. State Advisory Committee of the National Cadet Corps for the Union Territory of Goa, Daman and Diu.
43. Study Teams of Administrative Reforms Commission.
44. Study Team to examine the working of the Customs Department.
45. Working Group for Parent-Teacher Participation.

UNDER STATE GOVERNMENT

Andhra Pradesh

1. Andhra Pradesh State Advisory Council for the Education of the Handicapped.
2. District Committee on Employment, Kakinada.
3. District Committees on Employment, Mahboobnagar/Adilabad/Khammam.
4. District Committee on Employment, Nalgonda.
5. Regional Committees on Employment, Hyderabad/Vijayawada/Nizamabad/Warangal/Visakhapatnam.

Kerala

1. Standing Committee on Industrial Cooperative Societies at State Level.
2. State Advisory Committee for Rural Industries.

3. State Coir Advisory Board.
4. State Co-ordination Board for Social and Moral Hygiene and After-care and Social Welfare Programmes.
5. State Planning Advisory Board.

Madras

1. District Development Councils.
2. Panchayat Development Consultative Committee on Administration and Works, Production Programmes and Welfare Services Programmes.
3. Project Committees for Rural Industries, Sriperumbudur/Omalur/Nanguneri.

Maharashtra

1. State Level Consultative Committee on Panchayati Raj.

Orissa

1. Board of Basic Education.
2. Children's Literature Committee.

APPENDIX II

Minutes of the Joint Committee on Offices of Profit

I

Forty-fifth Sitting

The Committee met on Wednesday, the 18th May, 1966 from 15.00 to 16.15 hours.

PRESENT

Shri G. N. Dixit—*Chairman.*

MEMBERS

Lok Sabha

2. Shri M. L. Dwivedi
3. Shri P. K. Ghosh
4. Shri M. M. Haq
5. Shri Jaswantraj Mehta
6. Shri Yuveraj Dutta Singh

Rajya Sabha

7. Shri Lokanath Misra
8. Shri P. C. Mitra
9. Shri M. C. Shah

SECRETARIAT

Shri M. C. Chawla—*Deputy Secretary.*

2. The Committee took up for consideration Memorandum No. 555 regarding the Administrative Reforms Commission. The Committee noted that the Chairman and four other members of the Commission who were Members of Parliament were entitled to travel by air-conditioned class and were to be reimbursed to the extent of the difference between the fares for the air-conditioned and first class accommodation. The Committee desired that the concerned Ministry might be asked to clarify whether and what incidental charges were payable to the members of the Commission in terms of Ministry of Finance O.M. No. F. 6(26) E-IV/59 dated the 5th September, 1960, as amended from time to time, while travelling in air-conditioned class.

The Committee then deferred consideration of the Memorandum pending receipt of the requisite information.

3. In this context, the Committee also considered the letter dated the 13th May, 1966 received from the Secretary of the Administrative Reforms Commission regarding the proposal for provision of an air-conditioner and a refrigerator at the residences of the members of the Commission.

The Committee were of the opinion that in the context of Section 3 (h) read with Section 2 (a) of the Parliament (Prevention of Disqualification) Act, 1959, the facilities proposed to be provided to the Members of Parliament serving on the Commission did not fall within the purview of Section 2 (a) of the Act *ibid* and were thus not permissible.

4. The Committee then considered Memorandum No. 556 in the context of the recommendation contained in para 9 of their Fourth Report regarding the Board of Directors of the National Newsprint and Paper Mills Ltd., Nepanagar.

The Committee noted that by a resolution passed at the 111th meeting of the Board of Directors of the Company, held on the 31st December, 1965, a Director, who was a Member of Parliament, would not be entitled for any sitting fee and other incidental expenses and would be entitled only to the "compensatory allowance" as defined in the Act.

The Committee decided to recommend that in view of the resolution passed by the Board of Directors, all the Directors of the Company, other than Members of Parliament thereon, would be disqualified.

5. The Committee decided to meet next on the 29th and 30th June, 1966.

6. The Committee then adjourned to meet again on Wednesday, the 29th June, 1966 at 16.00 hours.

II

Forty-sixth Sitting

The Committee met on Wednesday, the 29th June, 1966 from 16.00 to 17·00 hours.

PRESENT

Shri G. N. Dixit—*Chairman.*

MEMBERS

Lok Sabha

2. Shri M. L. Dwivedi

3. Shri P. K. Ghosh

4. Shri M. M. Haq

5. Shri Paresh Nath Kayal

6. Shri Jaswantraj Mehta

Rajya Sabha

7. Shri P. C. Mitra

8. Kumari Shanta Vasisht

SECRETARIAT

Shri M. C. Chawla—*Deputy Secretary.*

2. The Committee took up consideration of Memoranda Nos. 557 to 567 and statement showing further information received from Government in respect of Memoranda Nos. 397, 401, 402, 405 and 533.

3. The Committee felt that the composition, character and functions of the following bodies were such that their membership, chairmanship or secretaryship ought not to disqualify:—

(1) Indian Arecanut Development Council (Department of Agriculture).

(2) Indian Tobacco Development Council (Department of Agriculture).

(3) Indian Jute Development Council (Department of Agriculture).

(4) General Committee for the National Foundation for Teachers' Welfare (Ministry of Education).

(5) Hindi Salahkar Samiti and its working Group known as Karyakari Dal (Ministry of Home Affairs).

(6) Oil Advisory Committee (Ministry of Petroleum and Chemicals).

(7) National Defence Council (Cabinet Secretariat).

(8) Panchayat Development Consultative Committee on Administration and Works, Production Programmes and Welfare Services Programmes (Madras).

(9) District Development Councils (Madras).

(10) State Level Consultative Committee on Panchayati Raj (Maharashtra).

(11) Kendriya Sanskrit Vidyapeeth Tirupati Society (Ministry of Education).

(12) Nature Cure Advisory Committee (Ministry of Health).

(13) Mineral Ores Export Advisory Committee (Ministry of Commerce).

(14) Governing Body of the Indian Institute of Foreign Trade (Ministry of Commerce).

4. The Committee noted that the Chairman and Directors of the Cement Corporation of India Ltd., were entitled to receive remuneration which was in excess of the "Compensatory allowance" as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. They were, therefore, of the opinion that the Chairmanship and Directorship thereof ought not to be exempted from disqualification.

5. The Committee observed that the Composition of the Silk and Rayon Textiles Export Promotion Council did not come within their purview--the two nominees of the Government of India on its being Government officers only—and as such it need not be considered by them.

6. The Committee then adjourned to meet again on Thursday, the 30th June, 1966 at 11.00 hours to consider the residuary items on the agenda.

III

Forty-Seventh Sitting

The Committee met on Thursday, the 30th June, 1966 from 11·00 to 11·55 hours.

PRESENT

Chairman

Shri G. N. Dixit.

MEMBERS

Lok Sabha

2. Shri M. L. Dwivedi
3. Shri P. K. Ghosh
4. Shri M. M. Haq
5. Shri Harish Chandra Heda
6. Shri Paresh Nath Kayal

Rajya Sabha

7. Shri Lokanath Misra
8. Shri P. C. Mitra
9. Kumari Shanta Vasisht

SECRETARIAT

Shri M. C. Chawla—*Deputy Secretary.*

2. At the outset, the Chairman apprised the Committee of the contents of a letter dated the 23rd May, 1966 from the Secretary of the Administrative Reforms Commission wherein he had stated that during tours to the States, members of the Commission, who were Members of Parliament, might be treated as State guests and provided with free board and lodging and sought confirmation that this would not result in any "disqualification".

The Chairman then read out the reply sent to the Secretary of the Commission stating that under Rule 15 of the Members of Parliament (Travelling and Daily Allowances) Rules, 1957, Members of Parliament on being treated as State guests were entitled to receive only one-half of the daily allowance admissible to them under Section 3 of the Salaries and Allowances of Members of Parliament Act, 1954. If only board or lodging was allowed free to the members, they would be entitled to receive three-fourths of the daily allowances admissible under that Section.

The Committee approved the line of action taken in the matter.

3. The Committee then considered Memoranda Nos. 257A, 258A and 534 in the light of further information received from the Ministries concerned as desired by the Committee at their earlier sittings and thereafter Memoranda Nos. 568 to 570.

4. The Committee were of the opinion that the composition and character etc. of the following Committees were such that the Chairmanship or Secretaryship or Membership thereof ought not to disqualify:—

1. Board of Inspection of Voluntary Institutions to which Central grants are given under the scheme of grants to T.B., Leprosy, Cancer and other Institutions. (Ministry of Health).

2. Cotton Textiles Consultative Board (Ministry of Commerce).

3. Central Advisory Board of Museums (Ministry of Education).

5. The Committee then considered the Board of Directors of the Hindustan Photo Films Manufacturing Company Ltd., and the Board of Directors of the National Industrial Development Corporation Ltd. The Committee noted that the non-official Directors of these bodies received remuneration which was more than the "Compensatory allowance". However, if a Member of Parliament happened to be on the Board of Directors of these bodies, he would get T.A./D.A. etc. in accordance with the rates prescribed by the Ministry of Finance (Department of Expenditure in their O.M. No. F. 6 (26)-EIV/59 dated the 5th September, 1960, as amended from time to time, which is less than the "compensatory allowance". As such, the Committee were of the opinion that the Chairmanship and Directorship of these bodies ought not to disqualify. The Managing

Directors would, however, be disqualified as they were whole-time paid employees.

6. The Committee then took up consideration of Memorandum No. 569 regarding the enquiry made by Shri Shantilal Kothari, Member, Rajya Sabha, in connection with the offer made to him by the Director of the Indian Institute of Public Administration, New Delhi, for accepting the Visiting Professorship of that Institute. In the letter of offer it was *inter alia* stated that "our Honorary Professorships do not carry any remuneration. We would, of course, meet your conveyance and usual contingency charges in connection with this work."

Shri Shantilal Kothari in his letter to the Secretariat of the Committee had stated that "by term 'usual contingency charges' ..... of which I sought clarification from this Institute is meant Secretarial assistance to help me in preparation of lectures or other academic participation as Professor."

The Committee considered the matter at considerable length. They noted that the expenditure of the Institute was met from grants received from various sources such as Ford Foundation, the Asia Foundation, Government of India, membership fees, subscriptions etc. Further, although the Government of India gave an annual grant-in-aid to the Institute, it did not in any manner control the functioning of the Institute which was an autonomous body, registered under the Societies Registration Act, 1860. Further the executive power of the General Body vested in the Executive Council of the Institute consisting of the elected President and other officials and ordinary members. The appointment and removal in the instant case does not lie with the Government, and is to be made by the autonomous body.

The Committee observed that as a Visiting Professor of the Indian Institute of Public Administration, Shri Kothari, would not be holding an 'office under the Government', his case did not come within the mischief of Article 102 (1) (a) of the Constitution.

The Committee, however, noted that under Art. 103 of the Constitution, it is provided that "if any question arises as to whether a member of either House of Parliament had become subject to any of the disqualifications mentioned in clause (1) of Art. 102, the question shall be referred for the decision of the President and his decision shall be final and that before giving any decision on any such question, the President shall obtain the opinion of the Election Commission and shall act according to such opinion" and consequently the opinion of the Election Commission is effective and crucial in such matters.

7. The Committee then adjourned.

IV

Forty-eighth Sitting

The Committee met on Wednesday, the 24th August, 1966 from 15.10 to 15.35 hours.

PRESENT

Shri Jaswantraj Mehta—*in the Chair.*

MEMBERS

Lok Sabha

2. Shri N. R. Ghosh
3. Shri P. K. Ghosh
4. Shri Yuveraj Dutta Singh

Rajya Sabha

5. Shri M. C. Shah.

SECRETARIAT

Shri M. C. Chawla—*Deputy Secretary.*

2. In the absence of Shri G. N. Dixit, Chairman of the Committee, Shri Jaswantraj Mehta was elected Chairman for the sitting.

3. The Committee took up consideration of Memoranda Nos. 571 to 594 and statements showing further information received from Government in respect of Memoranda Nos. 555, 66 and 67.

4. The Committee were of the opinion that the composition, character and functions of the following bodies were such that the Chairmanship or Secretaryship or Membership thereof ought not to disqualify:—

(1) Indian National Committee for Statistics (Cabinet Secretariat).

(2) Export-Import Advisory Council (Ministry of Commerce).

(3) Advisory Committee for the Territorial Army in Madras/Gujarat/Uttar Pradesh (Ministry of Defence).

(4) State Advisory Committee of the National Cadet Corps for the Union Territory of Goa, Daman and Diu (Ministry of Defence).

(5) The Indian Historical Records Commission (Ministry of Education).

(6) Advisory Committee on Capital Issues Control (Ministry of Finance).

(7) Central Desert Development Board (Ministry of Food, Agriculture, Community Development and Cooperation).

(8) Panel for the Glass and Ceramics Industries (Ministry of Industry).

(9) Panel for Refractory Industry (Ministry of Industry).

(10) Film Consultative Committee (Ministry of Information and Broadcasting).

(11) Central and Regional Film Advisory Committees (Ministry of Information and Broadcasting).

(12) Central Advisory Committee for Chemicals (Ministry of Petroleum and Chemicals).

(13) Committee to Study the growth of retail outlets in the country (Ministry of Petroleum and Chemicals).

(14) Panel on Agriculture (Planning Commission).

(15) Central Purchase Advisory Council (Ministry of Supply, Technical Development and Materials Planning).

(16) Andhra Pradesh State Advisory Council for the Education of the Handicapped (Andhra Pradesh).

(17) District Committee on Employment, Kakinada (Andhra Pradesh).

(18) District Committee on Employment, Nalgonda (Andhra Pradesh).

(19) District Committees on Employment, Mahboobnagar/Adilabad/Khammam (Andhra Pradesh).

(20) Regional Committees on Employment. Hyderabad/Vijayawada/Nizamabad/Warangal/Visakhapatnam (Andhra Pradesh).

(21) State Co-ordination Board for Social and Moral Hygiene and Aftercare and Social Welfare Programmes (Kerala).

(22) State Planning Advisory Board (Kerala).

(23) State Level Advisory Committee for Rural Industries (Madras).

(24) Board of Basic Education (Orissa).

(25) Children's Literature Committee (Orissa).

5. The Committee then considered Memorandum No. 588, regarding Advisory Leather Board (Andhra Pradesh). The Committee noted that the Chairman thereof was entitled to receive remuneration which was in excess of the "compensatory allowance" as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959 and that the Secretary was an official. They were of the opinion that the Chairmanship and the Secretaryship of the Board ought not to be exempted from disqualification and recommended its inclusion in Part II of the Schedule to the Act.

6. The Committee deferred consideration of the statement showing further information received from Government regarding the Administrative Reforms Commission (Memorandum No. 555) and Memorandum No. 593 relating to the Study Teams of Administrative Reforms Commission (Ministry of Home Affairs).

7. The Committee then adjourned.

V

Forty-ninth Sitting

The Committee met on Friday, the 2nd September, 1966 from 14.30 to 15.10 hours.

PRESENT

Shri G. N. Dixit—*Chairman.*

MEMBERS

Lok Sabha

2. Shri Rajendranath Barua
3. Shri M. L. Dwivedi
4. Shri N. R. Ghosh
5. Shri M. M. Haq
6. Shri Yuveraj Dutta Singh

Rajya Sabha

7. Shri K. V. Raghunatha Reddy
8. Shri Lokanath Misra
9. Shri P. C. Mitra

SECRETARIAT

Shri M. C. Chawla—*Deputy Secretary.*

2. The Committee first considered Memorandum No. 555 relating to the Administrative Reforms Commission in the light of further information received from the Ministry of Home Affairs. The Committee noted that members of the Administrative Reforms Commission were paid incidental charges at the rate of 35 paise per 10 kilometres for each single journey performed by rail in addition to the facility of travel by air-conditioned class.

The Committee also noted that under Section 4 of the Salaries and Allowances of Members of Parliament Act, 1954, Members of Parliament while performing a journey for the purpose of attending a session of a

House of Parliament or a meeting of a committee or for the purpose of attending to any other business connected with his duties as a member, were entitled to get an amount equal to one First Class fare and one third class fare for each such journey, as incidental charges. This provision in the Committees' opinion, has to be treated as "payable" to meet the travelling expenses within the meaning of 'compensatory allowance' as defined in the Parliament (Prevention of Disqualification) Act 1959, and payment more than that to a member, on that account, would come under the mischief of 'profit' irrespective of the fact that the amount exceeding as small or big.

The Committee felt that the travelling allowance payable to Members of Parliament serving on the Commission (*i.e.* excess charges for A.C. Class plus incidental charges) worked out to be more than what was payable to other Members of Parliament under the Salaries and Allowances of Members of Parliament Act, 1954. The Committee, therefore, desired that the Ministry concerned might examine this question and issue necessary orders to the effect that the travelling allowance payable to Members of Parliament serving on the Commission would be limited to the amount of travelling allowance payable to the Members of Parliament under the Act referred to above.

3. The Committee then took up consideration of Memoranda Nos. 593 and 595 to 599.

4. The Committee were of the opinion that the composition and character etc. of the following Committees/bodies were such that the Chairmanship or Secretaryship or Membership thereof ought not to disqualify:—

1. Study Teams of Administrative Reforms Commission (Ministry of Home Affairs).
2. Indian Cashewnut Development Council (Ministry of Food, Agriculture, Community Development and Cooperation).
3. Indian Spices Development Council (Ministry of Food, Agriculture, Community Development and Cooperation).
4. Bhartiya Bhasha Samiti (Ministry of Education).
5. Advisory Committee for the Delhi Tuberculosis Project (Ministry of Health).

5. *Memorandum No.* 599.—The Committee considered the question whether vetting a translation or manuscript for the Ministry of Education was an office of profit. In this connection, the Committee examined various judicial decisions having a bearing on the term *"office of profit"*. The Chairman referred the Committee to an extract from the First

Report, Third Lok Sabha, pages 2-3, containing an earlier decision of the Committee to the effect that writing of a book by a Member of Parliament on payment of remuneration by Government was not an office and hence not an office of profit under the Government. The Committee felt that on the same analogy, vetting a translation or manuscript ought not to disqualify a Member of Parliament.

6. The Committee then considered the question whether a person whose name was on the panel of Advocates approved by the Central or State Government for conducting cases in the Supreme Court or the High Court incurred any disqualification (Memorandum No. 599). The Committee examined various judicial decisions having a bearing on the term "office of profit" and on clause (d) of Section 7 of the Representation of the People Act, 1951. In this connection the Committee particularly noted the decision of the Election Tribunal, Allahabad, in Govind Malviya *vs.* Murli Manohar (E.L.R. Vol. VIII, p. 84). In the light of the various judicial decisions, the Committee felt that a person whose name is on the panel of Central/State Government for conducting cases on their behalf in the Supreme Court or High Court and to whom no remuneration or ratainer was payable for such enrolment (fees being payable for individual cases entrusted) ought not to disqualify.

7. The Committee, however, noted that under Art. 103 of the Constitution, if any question arises as to whether a member of either House of Parliament has become subject to any of the disqualifications mentioned in clause (1) of Art. 102, the question shall be referred for the decision of the President and his decision shall be final and that before giving any decision on any such question, the President shall obtain the opinion of the Election Commission and shall act according to such opinion.

8. The Committee then adjourned to meet again on Thursday, the 27th October, 1966.

VI

Fiftieth Sitting

The Committee met on Thursday, the 27th October, 1966 from 13.00 to 13.35 hours.

PRESENT

Shri G. N. Dixit—*Chairman*

MEMBERS

Lok Sabha

2. Shri Rajendranath Barua

3. Shri M. L. Dwivedi

4. Shri P. K. Ghosh

5. Shri M. M. Haq

6. Shri Paresh Nath Kayal

7. Shri Jaswantraj Mehta

Rajya Sabha

8. Shri K. V. Raghunatha Reddy

9. Shri Lokanath Misra

10. Shri P. C. Mitra

SECRETARIAT

Shri M. C. Chawla—*Deputy Secretary.*

2. The Committee took up consideration of Memoranda Nos. 600 to 608 regarding various Committees/Boards etc. appointed by the Central and State Governments.

3. The Committee were of the opinion that the composition, character and functions of the following Committees/Bodies were such that the Chairmanship, Secretaryship and Membership thereof, ought not to disqualify :—

(1) Central Flood Control Board (Ministry of Irrigation and Power).

(2) Project Committees for Rural Industries—Sriperumbudur/ Omalur/Nangunori (Madras).

(3) Study Team to examine the working of the Customs Department (Ministry of Finance).

(4) Geological Programming Board (Ministry of Mines and Metals).

(5) Central Wage Board for the Leather and Leather Goods Industry (Ministry of Labour, Employment and Rehabilitation).

(6) Central Wage Board for the Road Transport Industry (Ministry of Labour, Employment and Rehabilitation).

(7) Central Wage Board for the Electricity Undertakings (Ministry of Labour, Employment and Rehabilitation).

4. The Committee next considered Memorandum No. 607 regarding the composition of the Board of Directors of Assam Financial Corporation. The Committee noted that the Directors (other than the Managing Director) and an employee of the Government, the Reserve Bank of

India or the Industrial Finance Corporation of India, were entitled to get Rs. 75 as sitting fee for each meeting of the Board and Rs. 50 for each meeting of the Executive Committee. They also noted that the Directors of the Board were responsible for the general superintendence, direction and management of the affairs and business of the Corporation with the assistance of the Executive Committee and also considered and sanctioned long-term loans exceeding Rupees one lakh to industrial concerns. The Committee held the opinion that in view of the fact that besides being entitled to remuneration which was in excess of the 'compensatory allowance' as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959, the Directors wielded excessive power of patronage. Besides, the Secretary and the Managing Director were full-time officials of the Corporation. The Committee, therefore, were of the opinion that all the Directors including the Managing Director and the Secretary ought not to be exempted from disqualification.

5. The Committee then considered Memorandum No. 608 relating to the Board of Directors of the National Newsprint and Paper Mills Ltd., Nepanagar. In this connection, the Committee reviewed their earlier decision contained in sub-para 3 of para 4 of the Minutes of their sitting held on the 18th May, 1966 in the context of the later developments and material furnished to them by the Ministry of Industry. The Committee decided to modify that decision as under :—

> "In view of the Resolution dated the 31st December, 1965 of the Board of Directors of Nepa Mills Ltd., read with article 129 of the Articles of Association of the Company, the holding of the office of a Director, by a Member of Parliament, did not disqualify".

6. The Committee also decided that in view of the decision taken on the 18th May, 1966, as modified by para 5 above, no further action was called for on the recommendation contained in para 9 of their Fourth Report in regard to the Board of Directors of Nepa Mills Ltd., and desired that the Ministry of Industry should be informed in the matter accordingly in reply to a reference made by that Ministry.

7. In connection with their recommendation contained in para 2 of the Minutes of their sitting held on the 2nd September, 1966 regarding the payment of T.A. etc. to the members of the Administrative Reforms Commission, the Committee noted that the Ministry of Home Affairs had not furnished any reply so far and desired that that Ministry might be asked to send their reply at an early date.

8. The Committee then adjourned

VII

Fifty-first Sitting

The Committee met on Monday, the 7th November, 1966 from 15.30 to 16.10 hours.

PRESENT

Shri G. N. Dixit—*Chairman*

MEMBERS

Lok Sabha

2. Shri N. R. Ghosh

3. Shri Jaswantraj Mehta

Rajya Sabha

4. Shri M. C. Shah

5. Shri P. C. Mitra

SECRETARIAT

Shri M. C. Chawla—*Deputy Secretary.*

2. The Committee took up consideration of Memoranda Nos. 609 to 612 and 555A regarding various Committees/Boards etc. appointed by the Central Government.

3. The Committee were of the opinion that the composition, character and functions of the following Committees/Boards were such that the Chairmanship, Secretaryship and Membership thereof, ought not to disqualify:—

(1) Ship Ancillary Industries Committee (Ministry of Transport and Aviation).

(2) National Nutrition Advisory Committee (Ministry of Health and Family Planning).

(3) Central Advisory Board for Tribal Welfare (Department of Social Welfare).

4. *Memorandum No.* 612.—The Committee then considered the composition etc. of the National Savings Central Advisory Board (Ministry of Finance).

The Committee noted that the Non-official members serving on the Board were paid Rs. 75/- P.M. as a lump sum payment to defray the expenditure incurred on conveyance, stationery and postage in connection with their duties as members of the Board. But in the case of M.Ps. serving on the Board, the amount of Rs. 75/- was not paid as a lump sum but it was the maximum that could be drawn by them and its

payment was subject to the terms and conditions laid down in the Ministry of Finance O.M. No. F.6(26)E.IV/59, dated the 5th September, 1960, as amended from time to time.

The Committee also noted that a maximum conveyance allowance of Rs. 200/- P.M. had been sanctioned to the Member-Secretary, who was a Member of Parliament, to meet the expenditure incurred by him on account of conveyance charges, in connection with the work of the Board. He was also paid a daily allowance of Rs. 30/- per day spent on the Board's work during the inter-session period.

The Committee desired to hear Shri Rameshwar Sahu, M.P., the Member-Secretary of the Board, in regard to the remuneration and amenities provided to him by the Government and the amount actually received by him in this behalf in connection with the work of the Board and deferred further consideraiton of the Memorandum to their next sitting.

5. The Committee also decided to postpone consideration of Memorandum No. 555A relating to the Administrative Reforms Commission to their next sitting.

6. The Committee then adjourned.

.. VIII

Fifty-Second Sitting

The Committee met on Wednesday, the 9th November, 1966, from 14.30 to 15.35 hours.

PRESENT

Shri G. N. Dixit—*Chairman*

MEMBERS

Lok Sabha

2. Shri Rajendranath Barua
3. Shri N. R. Ghosh
4. Shri P. K. Ghosh

Rajya Sabha

5. Shri M. C. Shah
6. Shri P. C. Mitra
7. Kumari Shanta Vasisht

SECRETARIAT

Shri M. C. Chawla—*Deputy Secretary.*

WITNESS

Shri Rameshwar Sahu, M.P.

2. The Committee resumed consideration of Memorandum No. 612 regarding the National Savings Central Advisory Board which was held over on the 7th November, 1966.

3. The Committee sought clarification from Shri Rameshwar Sahu, M.P., Member-Secretary of the Board regarding the duties performed by the members and Member-Secretary of the Board and also about T.A./D.A. and conveyance allowance etc. payable to them.

4. Shri Rameshwar Sahu, M.P., informed the Committee that there were no written rules and regulations in respect of the duties and functions to be performed by the Members and Member-Secretary of the Board. But apart from attending the meetings of the Board, the Members looked after their own areas for the purpose of propagating, on behalf of the Board, the National Savings Scheme movement. The members were not performing any executive functions. The members were also entitled to the payment of T.A./D.A. for tours undertaken in that connection. In addition, they were also entitled to draw conveyance allowance upto a maximum of Rs. 75/- P.M.

5. Regarding the duties performed by the Member-Secretary, he elucidated that his functions were merely of advisory nature and that he was not performing any executive functions. He also stated that he was doing part-time work as Member-Secretary of the Board. In reply to another question, he stated that the Board met only twice a year.

In regard to the payment of T.A./D.A., etc. he informed the Committee that during the session of parliament, he was drawing D.A. @ Rs. 31/- as a Member of Parliament but during the inter-session period, he was paid daily allowance at the rate of Rs. 30/- per day spent on the Board's work. Besides, he was also drawing the maximum amount of Rs. 200/- P.M. as conveyance allowance subject to the terms and conditions laid down in the Ministry of Finance O.M. No. F.6 (26)E.IV/59 dated the 5th September, 1960, as amended from time to time.

The witness then withdrew.

6. The Committee then considered the various points made out by the witness and desired that further information might be called for from the Ministry of Finance in respect of the duties/functions performed by the members as well as the Member-Secretary of the Board and whether in the light of the duties performed by them, the payment of T.A./D.A. and conveyance allowance was in order.

The Committee also desired to know whether the amount of Rs. 75/- P.M. was being paid to a member of the Board, who was a Member of Parliament, in addition to the daily allowance he drew during the session period or during the period when a Parliamentary Committee of which he was a member was holding its sittings at New Delhi. Further, whether the payment of Rs. 10/- per day as conveyance allowance was also in addition to the lump sum payment of Rs. 75/- or the maximum that might be drawn in terms of Ministry of Finance O.M. No. F.6 (26)E.IV/59 dated the 5th September, 1960, as amended from time to time.

7. The Committee deferred consideration of Memorandum No. 555A relating to the Administrative Reforms Commission.

8. The Committee then adjourned.

IX

Fifty-third Sitting

The Committee met on Wednesday, the 23rd November, 1966, from 15·00 to 16·00 hours.

PRESENT

Shri G. N. Dixit—*Chairman*

MEMBERS

Lok Sabha

2. Shri M. L. Dwivedi

3. Shri Yuveraj Dutta Singh

Rajya Sabha

4. Shri M. C. Shah

5. Shri P. C. Mitra

6. Kumari Shanta Vasisht

SECRETARIAT

Shri M. C. Chawla—*Deputy Secretary.*

2. The Committee took up consideration of Memo. Nos. 555B, 612A and 613 to 617 regarding various committees/boards etc. appointed by the Central and State Governments.

3. The Committee were of the opinion that the composition, character and functions of the following committees/boards were such that the Chairmanship, Secretaryship and Membership thereof ought not to disqualify:—

1. National Advisory Board of Libraries (Ministry of Education).

2. Working Group for Parent-teacher Participation (Planning Commission).

3. Standing Committee on Industrial Cooperative Societies at State Level (Kerala).

4. State Coir Advisory Board (Kerala).

5. State Advisory Committee for Rural Industries (Kerala).

4. The Committee resumed consideration of Memo. No. 612A regarding the National Savings Central Advisory Board (Ministry of Finance), which was held over earlier pending receipt of information on certain points from the Ministry of Finance. The Committee noted that although the duties and functions of the members and Member-Secretary of the Board were not defined precisely but these were discharged broadly within the functions assigned to the Board. The members undertook tours in the areas assigned to them and helped in the promotion of the Small Savings Movement by submitting suggestions from time to time to the Chairman of the Board for intensifying the Movement and removing the difficulties, if any. As regards the payment of Rs. 75 per month which was the maximum that could be drawn by a member to defray the expenditure incurred on conveyance, stationery and postage in connection with his duties as a Member of the Board (who was an M.P.), it was not paid as lump sum but it could be drawn by a Member of Parliament in addition to daily allowance he drew during the Session period or during the period any Parliamentary Committee of which he was a member, was holding its meetings at New Delhi. This was also subject to a maximum rate of Rs. 10 per day and to the production of a certificate to the effect that he had not drawn the conveyance allowance or a similar allowance or used a Government vehicle in respect of the same journey or for the same day from any other Government sources. The member had also to certify that the expenditure actually incurred by him was not less than the amount claimed.

In regard to the grant of conveyance allowance to the Member-Secretary subject to a maximum of Rs. 200 per month even during the Inter-session periods the Committee noted that it was in conformity with the provisions contained in the Ministry of Finance O.M. dated the 5th Sep-

tember, 1960, as amended from time to time, in view of the fact that the allowance was intended to enable the Member-Secretary to recoup his out-of-pocket expenses and was subject to the restrictions laid down in the Ministry of Finance O.M. *ibid.* As regard the functions performed by him, the Committee noted that he undertook tours extensively to establish and to maintain contacts with the State Governments and the State Advisory Boards, and also attended to the work of the Board for which a small secretarial establishment had been provided. The administrative work, involved in connection with the office of the Board, was looked after by the Regional Director, National Savings, Delhi. The duties of the Member-Secretary were merely of an advisory nature.

The Committee felt that the character, composition and functions of the Board were such that the Chairmanship, Secretaryship and Member ship thereof ought not to disqualify.

5. The Committee then took up consideration of Memo No. 555B regarding the payment of T.A./D.A. to members of the Administrative Reforms Commission which had also been held over earlier pending receipt of further elucidation on certain points. The Committee noted that the members of the Commission were paid daily allowance @ Rs. 30 when they performed the work of the Commission at Delhi or outside and even when they travelled by rail in A.C.C., the rates remained the same, subject to the conditions that they got D.A. at full rates if they reached the place of the meeting in the forenoon and departed from there in the afternoon. Otherwise half daily allowance was granted to them, if they reached in the afternoon and left in the forenoon. No daily allowance was paid for the period of rail journey. The members were also paid incidental charges @ 35 paise per 10 Kilometers or part thereof, if it exceeded 5 kilometers subject to a maximum of Rs. 15·70 per day when they travelled by rail and subject also to the condition that the expenditure incurred was not less than the amount claimed. In case of air journey, they were paid incidental charges @ 1/5th of standard air fare or Rs. 20 whichever was less.

In view of the fact that the members of the Commission are entitled to T.A./D.A. which is less than 'compensatory allowance' as defined in section 2 (a) of the Parliament (Prevention of Disqualification) Act, 1959, and that the functions performed by them are also of an advisory nature, the Committee are of the opinion that the character and function of the Commission are such that the Chairmanship and Membership thereof (the Secretary of the Commission being an official) ought not to disqualify.

The Committee then adjourned.

X

Fifty-fourth sitting

The Committee met on Wednesday, the 30th November, 1966, from 10.00 to 11.00 hours.

PRESENT—

Shri Harish Chandra Heda—*in the Chair.*

MEMBERS

Lok Sabha

2. Shri Rajendranath Barua.
3. Shri M. L. Dwivedi.
4. Shri P. K. Ghosh.
5. Shri Jaswantraj Mehta.

Rajya Sabha

6. Shri Lokanath Misra.
7. Kumari Shanta Vasisht.

SECRETARIAT

Shri M. C. Chawla—*Deputy Secretary.*

2. In the absence of Shri G. N. Dixit, Chairman of the Committee, Shri Harish Chandra Heda was elected Chairman for the sitting.

3. The Committee considered their Draft Fifth Report.

4. The Committee then adjourned to meet again at 17.00 hrs. to resume further consideration of the Draft Report.

XI

Fifty-fifth sitting

The Committee met on Wednesday, the 30th November, 1966, from 17.00 to 17.30 hours.

PRESENT

Shri G. N. Dixit—*Chairman.*

MEMBERS

Lok Sabha

2. Shri Rajendranath Barua.
3. Shri M. L. Dwivedi.
4. Shri Harish Chandra Heda.
5. Shri Yuveraj Dutta Singh.

Rajya Sabha

6. Shri M. C. Shah.

7. Shri Lokanath Misra.

8. Shri P. C. Mitra.

9. Kumari Shanta Vasisht.

SECRETARIAT

Shri M. C. Chawla—*Deputy Secretary.*

2. The Committee resumed further consideration of the Draft Fifth Report and adopted it.

3. The Committee decided that the Report might be presented to Lok Sabha on Friday, the 2nd December, 1966 and laid on the Table of Rajya Sabha on the same day.

4. The Committee authorised the Chairman and, in his absence, Shri Harish Chandra Heda to present the Report to Lok Sabha on their behalf.

5. The Committee authorised Shri Lokanath Misra and, in his absence, Kumari Shanta Vasisht to lay the Report on the Table of Rajya Sabha.

6. The Committee then adjourned.

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